



## Benefits Briefing

Administrative Office  
of the United States Courts  
November 2002

Administrative Office  
Office

## AGENDA

- Major Developments
- Long-Term Care Program
- Flexible Benefit Program
- Life Insurance
- New Initiatives
- Communications
- Challenges

# Major Developments

- Judge Jacobs' Testimony
- New Long-Term Care Plan
- Long-Term Care Open Season
- Flexible Benefits On-line Inquiry
- Point Click and Enroll!
- Dental Study

ADUC - Voluntary Separation Program

Office

3

# Major Developments

## Judge Jacobs' Testimony

- May 21, 2002
- U.S. House Government Reform Committee's Subcommittee on Civil Service, Census, and Agency Organizations

ADUC - Voluntary Separation Program

Office

4

# Major Developments

Judge Jacobs' Testimony

- Success of Judiciary's Flexible Benefit Program
- Model for cafeteria plans for the Federal Government
- Offered support in legislative effort

ADJUC - Judiciary Executive Program

Office

5

# Major Developments

Long-Term Care Program

- More Choices
  - Preferred Features Plan
  - FedPlus Plan
- Guaranteed Issue
- 3rd & Final Open Enrollment

ADJUC - Judiciary Executive Program

Office

6

# Major Developments

## Flexible Benefit Program

- On-line Inquiry
  - August 2002 - Director Mecham announces on-line access to Health Care and Dependent Care Reimbursement Accounts
  - Instant Claim Payment Notification
- PIN
- Get Documents on SHPS.net

WPUCC - Flexible Benefit Program

Office

7

# Major Developments

## Flexible Benefit Program

- Point Click and Enroll!
  - Web enrollment 24/7
  - Enroll from home
  - Instant Confirmation
  - IVR and paper still available
- Interactive Worksheets

WPUCC - Flexible Benefit Program

Office

8

# Major Developments

## New Initiatives

- Deloitte & Touche Dental Study
  - Feasibility Study
  - Plan Design Analysis
  - Market Analysis

ALJSC – Judicial Expense Program

Office

9

# Long-Term Care

- Communication challenge
  - Complicated benefit
  - Numerous choices
  - Cost comparisons
- Open Enrollment Results
  - 3,217 enrollment responses
  - 6,000 participants--20% of judiciary

ALJSC – Judicial Expense Program

Office

10

# Flexible Benefit Program

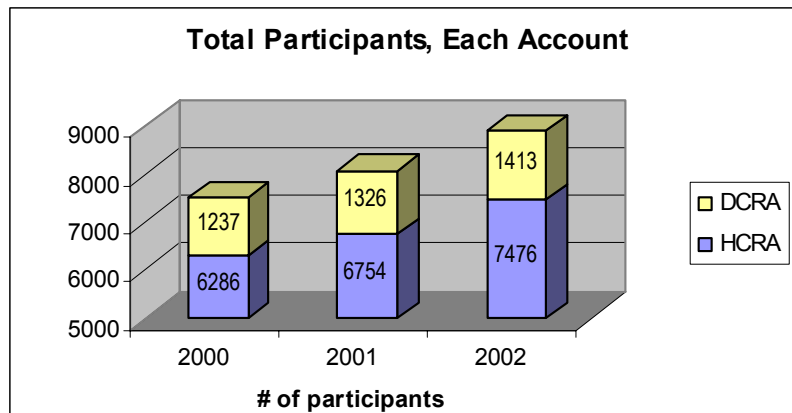
- Premium Payment Plan
  - Pre-tax health insurance premiums
- Health Care Reimbursement Account
  - Pre-tax payment of uninsured medical expenses up to \$10,000
- Dependent Care Reimbursement Account
  - Pre-tax payment of dependent care expenses up to \$5,000

ADUC - Flexible Benefit Program

Office

11

## Program Statistics - Flexible Benefit Program Inception to Date



Office

12

## Program Statistics - Flexible Benefit Program

### Inception to Date

- Average Increase in take-home pay

	<u>2000</u>	<u>2001</u>	<u>2002</u>
Premium Payment	\$467	\$467	\$534
HCRA	\$361	\$430	\$512
DCRA	\$999	\$1,049	\$1,109

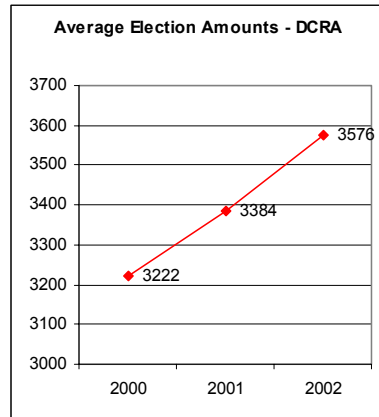
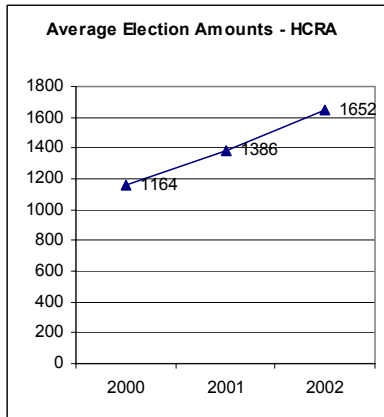
ADUSC - Including Flexible Program

Office

13

## Program Statistics - Flexible Benefit Program

### Inception to Date



Office

14

## Program Statistics - Supplemental Benefit Program (Flex and Commuter) Inception to Date

	2000	2001	2002 (through 10/26/02)
<u>Calls</u>			
Benefit Counselor (BC) Calls	19,705	26,211	19,326
Interactive Voice Response (IVR)	38,962	41,585	31,101
 <u>Claims Paid</u>			
HCRA & DCRA	25,857	35,433	35,666
Commuter	n/a	7,619	8,553
TOTAL:	25,857	43,062	44,219

ADUSC - Voluntary Benefits Program

Office

15

## Flexible Benefit Program

- Annual Enrollment
  - November 1, 2002 to December 9, 2002
- What's new?
  - Electronic enrollment
  - On-line information
  - EGTRRA -- changes in dependent care tax credit limits

Office

16



# Flexible Benefit Program Reminder

- “Use-it-or-lose-it” Rule
  - Participants must incur expenses (receive services) by 12/31/02
  - Participants have until March 31, 2003 to file claims for 2002
  - Your enrollment does not roll over to the new year -- you must re-enroll

ADUC - Voluntary Benefits Program

Office

17

# Life Insurance

- Effective: January 1, 2003
- Basic - decrease (.1550 to .1500 biweekly)
- Option A - No change
- Option B - Age bands & premiums
  - 60-64, 65-69, 70-74, 75-79, and 80 & over
- Option C - Age bands & premiums

Office

18

# Communications

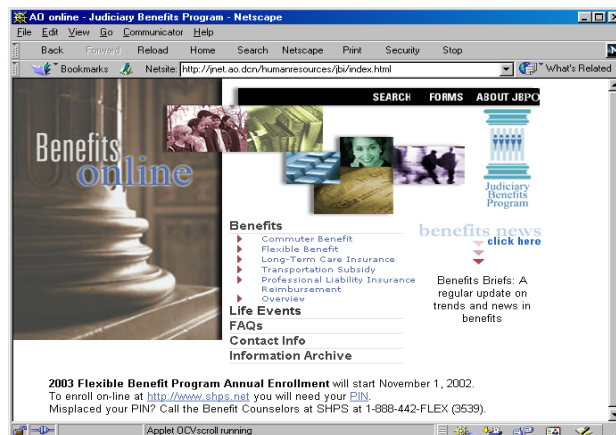
- E-everything
  - All forms on-line
  - All plan documents on-line
  - Flex enrollment on-line
- Webcasts

AOJUSC - Judiciary Benefits Program

Office

19

# Communications

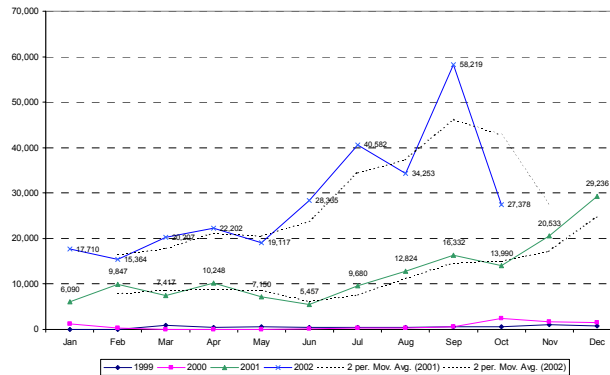


Office

20

# Communications

Visits to "Benefits Online" Web Site, by Month



WVU's Continuing Education Program

Office

21

# Dental Study

- Feasibility Study
  - Quantified dental benefits available in FEHB
    - 28% relative value
  - Analyzed dental benefits to similarly situated groups
    - 98% of all employers offer dental benefits
  - Outlined issues to be considered in designing a dental plan

Office

22

# Dental Study

- Considerations for Dental Plan Design
  - wide range of comprehensive benefits
  - generous levels of reimbursement
  - unlimited access to providers
  - use of network discounts
  - ease of administration

ADUC – Voluntary Dental Program

Office

23

# Dental Study

## Plan designs that meet requirements

- Passive PPO
  - PPO network within indemnity plan model
  - Use dentist of choice
  - No balance billing if dentist is part of network

ADUC – Voluntary Dental Program

Office

24

# Dental Study

- Direct Reimbursement
  - Reimburses participants based on a limit on care per employee
  - For example:
    - 100% of first \$100
    - 80% of next \$500
    - 50% of next \$1000

ADUC – Voluntary Dental Program

Office

25

# Dental Study

- Points to consider
  - Is it appropriate to offer more than one delivery system?
  - How should contributions be structured?
    - Employee cost
    - Family cost
  - What percentage should employees pay?
  - Administration

ADUC – Voluntary Dental Program

Office

26

# Challenges

- Up to this point benefits have been employee pay all
- Do not have authority to use appropriated funds for benefits
- Legislative effort
  - Court Improvement Act
  - Appropriations

ADJUC – Judicial Expense Program

Office

27

# Conclusion

- Can not implement a dental program without legislation
- 108th Congress

ADJUC – Judicial Expense Program

Office

28